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Alternative Farm Enterprises – Agritourism Success Stories

Catering, Picnics, Weddings, and Meeting Facilities

Interview with Randy Nixon, 2800 Nixon's Farm Lane, P.O.
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What is the history of your farm and farming experience?

My Dad and Mom purchased this farm of 165 acres in 1952 as a place to raise the family. It was a working, diversified farm. Today, we lease out about 90 acres for corn silage and all but 20 acres is used for hay. In 1952, we lived in the barn because the house was so old that it toppled down. Dad converted one part of the stalls in the barn into the living area, and the cattle were at the other end.

Describe the alternative enterprise(s) in which you are presently engaged.

We are a service business. We provide food, open space for entertainment, weddings, conferences, retreats, and seminars. There are basketball courts, swings, slides, and jungle jims, a water dunk tank, open space for soccer and ball games, and hiking paths. We mainly serve groups: church groups, corporate picnics, family reunions, other organizations. Last week we fed 2,000 people, and this coming week we are feeding 3,000 people. My Mom is the head chef but does not spend much time in the kitchen now. She is 74. I operate as a restaurant 4-5 times a year as a promotion for the business.

What made you decide to go into the present alternative enterprises?

My father died in 1972. My mother did some research and found the most valuable use of land is recreation. She said, "What can you do with a farm?" She developed the farm into a catering business and a recreational farm. As she said, "We are growing

people!" And you can keep on growing people because they grow forever. This was her view, and in the late 1970's we started this service. We first started with church groups and just grew to where we are today with weddings, seminars, business meetings and conferences. My mother loved to cook. So she went to work.

How did you make the transition?

My Dad formed the Small Businessman's League of Baltimore. This League was formed because Black and Jewish businessmen could not join the Chamber of Commerce. As the group grew in size they migrated to the farm for meetings and a place to go on Sunday with the family. It became the League's Country Club, and a membership fee was charged. My mother loved to cook and so as the people began to come she felt a responsibility to feed them. The business just grew from there. I was a corporate lawyer for 5 years and quit to run and grow this people business. I do not have any formal training to operate and manage a service business such as this. I read, listen, and talk to people in the business. Most of all I listen to my customers. I have been operating this business for 13 years.

Describe your decisionmaking process.

We went through the strategic planning process with goals, objectives, and mission. That is important for the long run. But the "Battle Plan" is the important one. It shows every single aspect of this business. From the minute detail of how to take a telephone call, to an inquiry about the use of the facility, to how

to order food for the kitchen. Every staff position has a job description and what it entails. I have this in hard copy and in the computer. I have developed this over the years. This runs the business.

How do you obtain financing?

I just obtained a loan to build a “state of the art” kitchen, remodel the upstairs to the barn, septic, bathrooms, walk in freezer, etc., for \$1.5 million. It was difficult to get the loan. I had a business plan and history of business activity. But it was still difficult to convey to them that I am a great manager and that this is a sound business.

How do you price your products?

School groups are charged \$10.00 per person, and they get a meal and fun activities depending upon the season. Weddings are \$50.00 per person. Retreats, seminars, and conferences cost \$30.00 to \$70.00. Corporate meetings are \$20.00-\$40.00.

What went wrong? And Why? How did you correct the situation?

When Mom first started the business, she hired caterers. Their quality was inconsistent, and several other catering problems arose. She kicked all the caterers off the farm and started to do her own cooking. A person needs to have firm goals but also to be flexible about achieving objectives to accomplish those goals. There is a Spanish saying, “Act boldly, and unforeseen forces will come to your aid.” Or as they say in business, “Jump off into a business and build your wings on the way down.”

What went right? And Why? How did you build on your success?

I make sure my staff and I deliver a very consistent service that will have a very good predictable outcome. I do a lot of teaching in my work to both the staff and the people who visit the farm. Consistency is the most important product. We do things one way when serving people, and that is *my* way. I have received comments from people that my staff speak and act as if I am sitting on their shoulder. I team up with entrepreneurs in the area—like rural golf courses. Businessmen come here for the meeting, then we take them to the golf course 10 minutes away and then they come back here for dinner. I train my

staff in food service at a cost of \$1,000 per person. This has gotten me several contracts because my competitors are not as fully qualified as I am. We have a rural setting to sell and we make the most of it! And, it is working.

What would you have done differently?

One needs to be sure to maintain the courage to succeed in your business. Don’t get sidetracked. I hired a manager but did not have a clear set of plans and responsibilities developed, so the manager could not help me achieve my goals. It took several years before I was ready to jump in and take over the management myself. A plan must be in place to accomplish your goals; otherwise you will get sidetracked by others, including paid consultants. You need to process all the information you receive in the context of your goals.

Where do you plan to go from here?

My next step to begin government and institutional feeding. I plan to grow this business into a \$16–20 million a year food and conference service business.

What would be the five most important pieces of advice you would give other farmers considering an alternative enterprise?

1. Market your product
2. Be consistent
3. Be efficient
4. Provide the service one way—*my* way!!
5. Have trained staff.

How did you handle the liability concern?

We purchase our insurance through regular agencies. I called several insurance agents in search of specialty coverage for a theme park or pick-your-own business. The prices varied considerably. I have \$2 million umbrella coverage today, and I plan to increase it. It costs me about \$4,000 a year.

Do you mind sharing your promotional material?

I spend about 5-7 percent of the gross sales on marketing. About 95 percent of marketing is by word of mouth, and 5 percent by formal advertising. For the weddings, I work with the wedding and bridal coordinators. I have a mailing list of church groups and organizations. I have been working with

corporations. I contact the human resources or promotion people and then go and make a laptop presentation that is very snappy and convincing. I spent \$25,000 to develop the brochure. I ask my customers to make sure they are getting what they want. I do some media and print advertising. I direct mail on an occasional basis.

What do you dislike the most and like the most?

I like the ability to build something that goes beyond you. The people who work for you, the customers. I love the vision of the business. There are several issues I dislike—learning how to borrow money, construction of facilities, the financial and regulatory aspects. Regulatory aspects are the single biggest issue for me because there are warring factions among state, county, and local governments. Sometimes, I just ask the state or county inspectors what the objectives are in achieving compliance, then I do the thinking and take the actions necessary to comply rather than have someone else try to tell me how to run my business. Everyone has to be flexible.

Would you start this alternative enterprise business today after learning what is involved?

I would be doing exactly what I'm doing today!

What groups/organizations/activities have you joined or become involved in because of the alternative enterprises?

I am involved in several organizations and have been officers in most of them—the local Chamber of

Commerce, Farm Bureau, YMCA, Heart Association, Farmland Preservation, Farm Marketing Groups, and Tourism Council. It is very important to be members of these groups so they understand that farming is a business and that the groups promote farming.

What conservation and education activities do you have?

I speak to the groups that come to the farm, especially the schoolchildren. I talk about farming, people's connection to the land, and the preservation of farmland. I have a theater system set up in the bank-barn—which I have turned into a conference hall—to do small plays. I am currently co-authoring a play called "The Harvest," which is about American agriculture. I am going to extend this education program nonprofit foundation that we are currently organizing. I plan to teach conservation as part of the education program. We do not have any special wildlife habitat planting. No pesticides are used around the public assembly and activity areas.

Are you willing to share your information?

Yes!

Do you want additional information? For more success stories and other information, see the website:

<http://www.nrcs.usda.gov/technical/RESS/>

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